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SENSITIVE

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SUBJECT: GOVT TALKS UP US-NZ RELATIONS DURING ANNIVERSARY  
OF ANTI-NUCLEAR LEGISLATION

Summary

¶11. (SBU) In observing the 20th anniversary of New Zealand's iconic anti-nuclear legislation, the Government chose not to dwell on past tensions with the U.S. In a testimony to how far the bilateral relationship has come in recent years and how the anti-nuclear issue has lost much of its political heat, NZ officials instead focused on New Zealand's efforts to address the proliferation of nuclear weapons. PM Clark was also prominently quoted in local media near the anniversary date as saying US-NZ ties are the strongest they've been in two decades. The New Zealand media's response to the anniversary was equally low key. Despite some rumblings from the political fringes during the anniversary period, National and other mainstream Parties reiterated their support for the law's retention. End Summary.

Anniversary marked without much fanfare

¶12. (SBU) The 20th anniversary of the passing of the New Zealand Nuclear Weapon Free Zone, Disarmament and Arms Control Act, colloquially known as the anti-nuclear legislation, was marked by the current Labour Government in a low-key manner. Most of the original draftees and advocates of the anti-nuclear legislation remain in Parliament today, among them PM Helen Clark and Disarmament Minister Phil Goff, both junior MPs at the time of the passing of the Act. They choose to commemorate the anniversary with a small and informal gathering in the office of the Prime Minister. The New Zealand media also made relative light work of the anniversary and it passed without much analysis, commentary or opinion.

Govt focuses on proliferation

¶13. (SBU) During the anniversary period, the New Zealand Government spoke warmly of the current state of U.S. New Zealand relations. When asked by the media to sum up relations with the U.S. during a recent visit to Australia, Clark said that both countries had turned a corner. She noted that New Zealand and the U.S. obviously had issues arising from the nuclear free policy and for a long time it's been a rock in the road

in the relationship between New Zealand and the States at the governmental level. Q Yet, Clark observed that during her trip to Washington in March this year she believed that there was a mutual acknowledgement that Qa way could be seen around the rock in the road."

¶4. (SBU) In reference to the anniversary, Goff issued a statement to Parliament that focused on New ZealandQs opposition to nuclear weapon proliferation and participation in efforts designed to prevent the spread of nuclear weapons. Goff said that the legislation is as relevant today as when it was passed into law because proliferation has grown as more countries have acquired nuclear weapons and terrorists seek to acquire them. Opposition pledges retention of anti-nuclear legislation

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¶5. (SBU) In a speech to Parliament, Murray McCully, the Foreign Affairs spokesman of the main Opposition National Party, voiced support for the anti-nuclear legislation. However, he also referred to the resulting effect the legislation has had on the bilateral relationship and called the continuing lack of a formal ally status with the U.S Qthe unfinished business of the nuclear free debate. Q In endorsing the legislation, McCully pledge to work with the Government to improve New ZealandQs relationship with the U.S which, he pointedly noted, includes achieving a Free Trade Agreement. (Note. In the past National did not easily embrace the anti-nuclear legislation because of the adverse effect it had on the New ZealandQs security arrangements. Until recently it was unclear whether the National Party would retain the legislation if in government. However, when John Key became party leader in 2006 he moved quickly to make it known that a National Government under his leadership would retain the anti-nuclear legislation. End Note).

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#### Murmurings from the fringes

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¶6. (SBU) Although the anniversary of the Act generally received broad based political support it did not pass without comment and critique from a couple of the minor parties. The right-wing ACT Party suggested that the legislation was outdated and that by retaining it New Zealand is allowing relations with its traditional allies to deteriorate. The Left-wing Green Party took the opportunity to accuse the Government of hypocrisy for allowing the New Zealand Super Fund - a retirement investment fund established by the Labour Government in 2001 that accumulates and invests Government contributions Q to invest in firms making nuclear weapons technology, such as Northrop Grumman Corp.

¶7. Comment: (SBU) The anti-nuclear legislation remains firmly embedded in New ZealandQs national psyche. It is an iconic part of the countryQs political history and has near full support throughout New Zealand (Even the visiting Dalai Lama praised New ZealandQs nuclear free stance). ACTQs argument that New Zealand anti-nuclear position should be trashed is out of step with a growing consensus in Parliament and in New Zealand society itself.

¶8. (SBU) In previous years the Labour Government might have used the occasion of the anniversary to focus on New ZealandQs principled stand against the U.S. The fact that the Government chose to focus instead on the warming of the bilateral relationship and proliferation issues demonstrates how much it wants to keep relations on their improving track. End Comment

McCormick